

City of Albuquerque Transit Department – ABQ RIDE Disadvantaged Business Enterprise Goal FFY2023 through FFY2025

July 26, 2022

The City of Albuquerque - Transit Department (ABQ RIDE) has prepared the following Disadvantaged Business Enterprise (DBE) program goal for contracting opportunities in Federal Fiscal Years 2023 through 2025. The goal and methods for determining it are presented here in accordance with Title 49 of the Code of Federal Regulations, Part 26. ABQ RIDE has established a goal of 4.5% for the Federal Fiscal Years 2023 through 2025 beginning October 1, 2023 and ending on September 30, 2025.

Market Area

After examining relevant available data, ABQ RIDE identified its contracting market area based upon the following factors:

- the area where the substantial majority of the contractors and subcontractors with which ABQ RIDE does business are located, and
- the area in which ABQ RIDE spends its contracting dollars.

Based on these criteria, ABQ RIDE's market area is considered to be:

- Bernalillo County
- Sandoval County
- Tarrant County
- Valencia County
- Santa Fe County
- Dona Ana County

Method for Determining Base DBE Availability Figure

ABQ RIDE has used the New Mexico Department of Transportation's DBE directory and Census Bureau data method for calculating the FFY2023-2025 goal. The New Mexico Department of Transportation's Unified Certification Program (UCP) maintains the official directory of firms certified as DBE's in New Mexico. The UCP provides the information necessary to determine the number of ready, willing, and able DBE firms that could potentially participate in upcoming contract opportunities. The U.S. Department of Commerce, Bureau of the Census, 2019 County Business Patterns (released June 28, 2021) provides data necessary to determine the total number of all firms (DBEs and non-DBEs) ready, willing and able to bid on contracts.

Establishment of FFY2023-2025 DBE Goal Methodology

1. Projected Contracting Opportunities, DBE Directory, and Census Bureau Data

ABQ RIDE has forecasted the projects with funding from the Federal Transit Administration (FTA) that are anticipated to have contracting opportunities over the next three fiscal years. For each project, ABQ RIDE estimated the amount of FTA funding to be used and the primary work type involved. This forecast provided the basis for the weight of each project in the overall goal and the type of work involved in the project as classified by the North American Industry Classification System (NAICS). ABQ RIDE used existing available grant funding, funding planned in the regional Transportation Improvement Program, and the contracts awarded over the last three years to forecast the projects that are likely to have contracting opportunities in the FFY2023-2025 goal period.

To determine the number of DBE firms, ABQ RIDE reviewed the New Mexico UCP directory for currently certified DBE firms by NAICS code expertise. The number of firms was narrowed to include firms that are located within the market area in the relevant NAICS codes to determine the Step 1 Base Figure for DBE availability.

To determine the number of all firms (DBE's and non-DBE's) in the market area that are ready, willing and able to bid on projects, ABQ RIDE reviewed the Census Bureau's 2019 County Business Patterns. These data sets, for the relevant market area and NAICS codes, were used because they closely match the location of the firms that have previously conducted business for ABQ RIDE.

2. Base Figure

The table on the pages 5 through 7 shows the calculation of the 4.5% goal for the three-year period. The method used to calculate the relative availability of DBEs for the Base Figure is in accordance with 49 CFR 26.45(c)(1). For each project, the table shows the NAICS work type and the number of DBE firms and all firms available for that work type in ABQ RIDE's market area. The table then shows the relative availability of DBE firms to all firms as a percentage. If the distribution of work was based solely on the relative number of firms, this percentage is the percent of contracting dollars for that work type that would be expected to go to DBE firms. The table then shows the anticipated FTA funding to be used on each project and the percent of all FTA funded project value represented by each individual project; this number is the weight of that project out of all projects. In the final column, the table shows the projected DBE participation in that project resulting from multiplying the relative DBE availability percent by the project cost. At the bottom, the table sums the total projected FTA-funded costs and the total projected DBE participation amount and calculates the

percent of DBE participation overall by dividing the DBE total by the total Federally funded costs.

3. Base Figure Adjustments

Step 2 of the goal determination is to examine all evidence in the market area to determine what adjustment, if any, is needed to the base figure to reflect actual DBE availability (Section 26.45 (d)).

ABQ RIDE has determined that the Census data and the UCP DBE directory represent a realistic number of contractors that could potentially bid on these projects. The department considered other factors that could impact DBE's ability to perform work in the DOT-assisted program. ABQ RIDE has also considered the available evidence from related fields that affect opportunities for DBE firms to form, grow, and compete. In our research we have found no available information that would require an adjustment to the base figure, and the department's goal is not the goal of another recipient and therefore did not require an adjustment to the local market.

ABQ RIDE also reviewed past DBE participation in its contracts to determine if an adjustment was necessary based on that prior experience. In the prior goal setting period, the mega-project Albuquerque Rapid Transit (ART) was under construction, so two of the three prior years do not represent the typical type of projects completed by ABQ RIDE. The first half of 2022 was more representative of the types of projects awarded and completed, but this six-month period is insufficient to determine the historical median for DBE participation. The department forecasts that it will meet its FFY2020-2022 goal so does not anticipate a need to make an adjustment to the FFY2023-2025 goal based on that prior experience.

Race-Neutral Projections

A. Summary of Race-Neutral Methods of Achieving DBE Participation

The regulations require that the maximum feasible portion of the DBE overall availability be achieved by using race-neutral means (i.e. not using contract goals per Section 26.51) and that ABQ RIDE include a projection of the overall participation of DBE's to be achieved through race-neutral means. Race-neutral methods include ensuring that bidding and contracting requirements facilitate participation by DBE's and other small businesses, unbundling large contracts to make them more accessible to small businesses, encouraging prime contractors to subcontract portions of the work they might otherwise perform themselves, and providing technical assistance, communications programs and other support services to facilitate consideration of DBE's and other small businesses. The regulations

require that an FTA funding recipient use contract-specific (“race-conscious”) goals only after it determines that it cannot meet its overall annual DBE goal otherwise.

B. Methods of Overall Annual Goal Achievement

ABQ RIDE found it necessary to use race-conscious methods during the FFY2020-2022 period so the department anticipates the need to use race-conscious methods (i.e. contract-specific goals) to achieve the FFY2023-2025 goal as well. During the FFY2020-2022 goal period to date, the department has achieved about 56% of its goal through race-neutral means, so the department anticipates a similar distribution of race-neutral and race-conscious means for the FFY2023-2025 period. Therefore, the department estimates that it will achieve 2.5% overall DBE participation through race-neutral participation and the remaining 2.0% through race-conscious means. ABQ RIDE will focus race-conscious efforts on the projects with ample sub-contracting opportunities and with work types that have more than minimal rates of DBE participation. These projects will likely include construction projects with paving and related work as well as sign manufacturing. ABQ RIDE will track and report race-neutral and race-conscious participation separately and will adjust the estimated breakout of race-neutral and race-conscious participation as needed to minimize the use of race-conscious methods.

Public Participation

A. Consultation

ABQ RIDE solicited input on the goal-setting methods and resulting goal from minority, women's and small business groups that could have information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and efforts to establish a level playing field for the participation of DBEs. The consultation included directly contacting by email and mail 18 stakeholder organizations; see Appendix A for full listing. ABQ RIDE invited these organizations to a virtual meeting June 13, 2022; representatives attended from the New Mexico OUT Business Alliance and the African-American Chamber of Commerce. ABQ RIDE reviewed with these attendees the forecasted contracting opportunities, the method for calculating the goal, and methods for encouraging and assisting DBE's in participating in ABQ RIDE's procurement opportunities. The presentation was recorded and posted on ABQ RIDE's DBE webpage, along with the Draft DBE Goal document. There was no response to the meeting invitation from the other stakeholder organizations.

B. Public Notice

The proposed goal was posted on ABQ RIDE’s website and advertised as available for inspection in the *Albuquerque Journal* (see Appendix B.) The notices specified that ABQ RIDE would accept public comments on the proposed goal for 30 days and would make adjustments to the goal as necessary after considering those comments.

No comments were received during the stakeholder consultation meeting or as a result of the public notice and website posting; therefore no changes to the goal were made as a result of the consultation process.

ABQ RIDE FFY2023-2025 DBE Base Figure Goal Calculation

Project List	NAICS Work Code Description	Step 1: Weight Projects		Step 2: DBE Availability			Step 3:
		Project FTA* Funds	% of Total Funds (weight)	Total DBE's	Total All Firms	DBE Relative Availability	Weighted DBE Base Figure**
Park & Ride Construction, Structures	2362 - Nonresidential Building Construction	\$ 800,000	3.65%	16	231	6.93%	0.25%
Uptown Transit Plaza (TOD-related rebuild)	2362 - Nonresidential Building Construction	\$ 800,000	3.65%	16	231	6.93%	0.25%
Rehabilitation of Facility Buildings, General (including code compliance upgrades)	23622 - Construction, Commercial & Institutional Buildings	\$ 1,600,000	7.29%	13	432	3.01%	0.22%
Daytona Roofing Project	23622 - Construction, Commercial & Institutional Buildings	\$ 1,600,000	7.29%	13	432	3.01%	0.22%
Rehabilitation of Yale Maintenance Facility	23622 - Construction, Commercial & Institutional Buildings	\$ 800,000	3.65%	13	432	3.01%	0.11%
Bus Stop Improvements (sidewalks, ADA, etc.)	23731 Highway, Street, and Bridge Construction	\$ 200,000	0.91%	32	41	78.05%	0.71%
ART Signal Priority Equip at Tramway	23821 - Electrical Contractors and Other Wiring Installation Contractors	\$ 400,000	1.82%	6	314	1.91%	0.03%

Project List	NAICS Work Code Description	Step 1: Weight Projects		Step 2: DBE Availability			Step 3:
		Project FTA* Funds	% of Total Funds (weight)	Total DBE's	Total All Firms	DBE Relative Availability	Weighted DBE Base Figure**
Installation of Security Cameras & Equipment at Facilities	23821 - Electrical Contractors and Other Wiring Installation Contractors	\$ 200,000	0.91%	6	314	1.91%	0.02%
HVAC Repair/Replacement	238220 - Plumbing, Heating, and Air-Conditioning Contractors	\$ 2,400,000	10.94%	4	432	0.93%	0.10%
Facility equipment (power washers, lifts, shelving, etc.)	23829 - Other Building Equipment Contractors	\$ 320,000	0.00%	0	13	0.00%	0.00%
Bus Washes	23829 - Other Building Equipment Contractors	\$ 1,600,000	7.29%	0	13	0.00%	0.00%
Methane Detection System at Daytona	23829 - Other Building Equipment Contractors	\$ 800,000	3.65%	0	13	0.00%	0.00%
Generators at ATC & Daytona	23829 - Other Building Equipment Contractors	\$ 1,600,000	7.29%	0	13	0.00%	0.00%
Park & Ride Construction, Paving & Related	2389 Other Specialty Trade Contractors (includes paving commercial driveways & parking lots)	\$ 2,000,000	9.12%	26	243	10.70%	0.98%
Rehabilitation of Facilities Site Features (fountain rehab, landscaping, paving, ADA, etc.)	2389 Other Specialty Trade Contractors (includes paving commercial driveways & parking lots)	\$ 800,000	3.65%	26	243	10.70%	0.39%
Bus Stop Improvements (signs & braille pucks)	339950 - Sign Manufacturing	\$ 240,000	1.09%	5	14	35.71%	0.39%
Park & Ride Wayfinding	339950 - Sign Manufacturing	\$ 120,000	0.55%	5	14	35.71%	0.20%
Vehicle Major Maintenance Parts	423120 Motor Vehicle Supplies and New Parts Merchant Wholesalers	\$ 320,000	1.46%	1	46	2.17%	0.03%
New Non-Revenue Vehicles (maintenance trucks and passenger vehicles)	4412 Other Motor Vehicle Dealers	\$ 420,000	1.91%	0	53	0.00%	0.00%
Office furniture / cubicles	442110 - Furniture Stores	\$ 80,000	0.36%	0	61	0.00%	0.00%
Replace servers, PCs & other IT equipment and software	443142 - Electronics Stores	\$ 600,000	2.74%	0	73	0.00%	0.00%

Project List	NAICS Work Code Description	Step 1: Weight Projects		Step 2: DBE Availability			Step 3:
		Project FTA*	% of Total Funds (weight)	Total DBE's	Total All Firms	DBE Relative Availability	Weighted DBE Base Figure**
Station monitors and info system	443142 - Electronics Stores	\$ 80,000	0.36%	0	73	0.00%	0.00%
Automatic Passenger Counters on existing buses	443142 - Electronics Stores	\$ 160,000	0.73%	0	73	0.00%	0.00%
Revenue Vehicle - Buy America Audits	541211 - Offices of Certified Public Accountants	\$ 60,000	0.27%	1	238	0.42%	0.00%
Miscellaneous Architecture / Engineering Services (signal design, bus stop improvements, etc.)	5413 - Architectural, Engineering, and Related Services	\$ 160,000	0.73%	18	545	3.30%	0.02%
Real estate acquisition (appraisals, title search, market studies, etc.)	5413 - Architectural, Engineering, and Related Services	\$ 16,000	0.07%	18	545	3.30%	0.00%
University Blvd BRT Planning & Design	5413 - Architectural, Engineering, and Related Services	\$ 1,600,000	7.29%	18	545	3.30%	0.24%
Park-and-Ride Design	5413 - Architectural, Engineering, and Related Services	\$ 320,000	1.46%	18	545	3.30%	0.05%
Rehabilitation of Facilities (Design)	5413 - Architectural, Engineering, and Related Services	\$ 280,000	1.28%	18	545	3.30%	0.04%
Yale Transit Facility Planning & Design	5413 - Architectural, Engineering, and Related Services	\$ 1,200,000	5.47%	18	545	3.30%	0.18%
Daytona Bus Wash Design	5413 - Architectural, Engineering, and Related Services	\$ 160,000	0.73%	18	545	3.30%	0.02%
Lo-No Emissions Professional Services	5413 - Architectural, Engineering, and Related Services	\$ 360,000	1.64%	18	545	3.30%	0.05%
Service Evaluation Consulting	541614 - Process, Physical Distribution, and Logistics Consulting Services	\$ 80,000	0.36%	2	23	8.70%	0.03%
Revenue Vehicle - Production Inspections	811198 - All Other Automotive Repair and Maintenance	\$ 80,000	0.36%	0	14	0.00%	0.00%
Totals		\$ 22,256,000	100.00%			3.89%	4.49%
Rounded, Weighted Base Goal							4.5%

* FTA is the Federal Transit Administration.

** Weighted DBE Base Figure is the % Total Funds (weight) multiplied by the DBE Relative Availability for each project.

Appendix A

Consultation Notice



* FTA = Federal Transit Administration
 * DBE = Disadvantaged Business Enterprise Program



FTA* funded projects: DBE* Goal Setting

Agenda:

- forecast of federally funded projects
- profile of firms that typically participate
- methodology used to draft goals
- our effort to establish a level playing field
- input from stakeholders

Monday, June 13, 2022
 12:00 - 1:00

<https://cabq.zoom.us/j/2395172751>

To request language or access accommodations, call
 Carrie Barkhurst at 505-724-3100 (711 for TTY).

The consultation meeting invite was mailed/emailed to the following stakeholder organizations:

- African-American Chamber of Commerce of New Mexico Inc.
- Albuquerque Hispano Chamber of Commerce
- Albuquerque Independent Business Alliance
- American Indian Chamber of Commerce of New Mexico
- Asian American Association of New Mexico
- Associated General Contractors International
- City of Albuquerque Office of Equity and Inclusion
- National Association of Women Business Owners
- New Mexico Black Chamber of Commerce
- New Mexico International Trade Alliance
- New Mexico Minority Business Development Agency
- New Mexico Native American Business Enterprise Center
- New Mexico Office of African American Affairs
- New Mexico OUT Business Alliance
- New Mexico Small Business Development Center
- Women in Construction New Mexico
- WESST Enterprise Center
- ULI CREW

Barkhurst, Kathryn Carrie

From: Barkhurst, Kathryn Carrie
Sent: Tuesday, May 31, 2022 10:55 AM
Cc: de Garmo, Andrew F.
Subject: ABQ RIDE - FTA funded projects: DBE Goal Setting
Attachments: DBE Consultation-2022.pdf

Good morning,

Please join us for a virtual meeting with organizations such as yours and local transit officials to learn about opportunities to bid on projects with ABQ RIDE.

Monday, June 13, 2022
12:00 – 1:00

<https://cabq.zoom.us/j/2395172751>

The meeting will include a forecast of federally-funded projects ABQ RIDE plans over the next 3 years, the profile of firms that typically participate, methodology used to draft DBE participation goals, and our effort to establish a level playing field for all.

We welcome input from stakeholders about our Disadvantaged Business Enterprise (DBE) Program and Goal. You have received this email as the contact person listed on your professional organization's website; if you are unable to attend, please share with others who represent your organization.

Best regards,
Carrie



K. CARRIE BARKHURST, MCRP

Senior Planner | ABQ RIDE

o 505-764-3117

abqride.com



Appendix B Public Notice

Proposed: Disadvantaged Business Enterprise Goal

The City of Albuquerque Transit Department (ABQ RIDE) has proposed a 4.6% Disadvantaged Business Enterprise (DBE) three-year goal for the period from Fiscal Year 2023 through 2025 (contracts awarded from Oct. 1, 2022, through Sept. 30, 2025).

This proposed goal and rationale are available for inspection during normal business hours at the principal office of ABQ RIDE, 100 1st Street SW. or online.

- Watch a presentation of the [DBE Goal Setting Consultation](#) 🌐
- Download the [DRAFT Disadvantaged Business Enterprise Goal: Fiscal Year 2023 through 2025](#).

Comment

ABQ RIDE will accept comments on the proposed goal through July 19, 2022.

Interested persons may submit written comments to: Andrew de Garmo, Principal Planner.

ABQ RIDE – City of Albuquerque

Alvarado Transportation Center

100 1st SW, Albuquerque, NM 87103

Please address email comments to: adegarmo@cabq.gov

Notice to Persons with Disabilities

If you require special assistance to participate in this review process, please contact ABQ RIDE; TTY users can use the New Mexico Relay Network at 1-800-659-8331.



**PUBLIC NOTICE -
ABQ RIDE
City of Albuquerque**

Notice is hereby given that ABQ RIDE, the City of Albuquerque Transit Department, has proposed a 4.6% Disadvantaged Business Enterprise (DBE) three-year goal for the period from Federal Fiscal Year 2023 through 2025.

This proposed goal and rationale are available for inspection during normal business hours at the principal office of ABQ RIDE at the address below or on our website at www.cabq.gov/transit/DBE, and ABQ RIDE will accept comments on the proposed goal through July 19, 2022, 30 days from the date of this notice.

Interested persons may submit written comments to Andrew de Garmo, Principal Planner, ABQ RIDE City of Albuquerque, Alvarado Transportation Center, P.O. Box 1293, 100 1st Street SW, Albuquerque, NM 87103 or to adegarmo@cabq.gov.

NOTICE TO PERSONS WITH DISABILITIES: If you require special assistance to participate in this review process, please contact ABQ RIDE; TTY users can use the New Mexico Relay Network at 1-800-659-8331.

Journal: June 19, 2022